



Legislative Bulletin.....October 8, 2003

Contents:

- H.R. 3108**—Pension Funding Equity Act of 2003
- H.R. 1474**—Check 21 Act (Conference Report)
- H.R. 3182**— To reauthorize the adoption incentive payments program under part E of title IV of the Social Security Act, and for other purposes
- H.Res. 342** — Supporting the National Railroad Hall of Fame, Inc., of Galesburg, Illinois, in its endeavor to erect a monument known as the National Railroad Hall of Fame
- H.R. 2297**—Veterans Benefits Act of 2003
- H.R. 2452** — To designate the facility of the United States Postal Service located at 339 Hicksville Road in Bethpage, New York, as the “Brian C. Hickey Post Office Building”
- H.Con.Res. 71** — Recognizing the importance of Ralph Bunche as one of the great leaders of the United States, the first African-American Nobel Peace Prize winner, an accomplished scholar, a distinguished diplomat, and a tireless campaigner of civil rights for people throughout the world
- H.Res. 262**—Supporting the goals and ideals of Pancreatic Cancer Awareness Month
- H.R. 3159**—Government Network Security Act
- H.R. 3054**—District of Columbia Military Retirement Equity Act
- H.R. 2755**—To authorize the President to issue posthumously to the late William “Billy” Mitchell a commission as major general, United States Army
- H.R. 2998**—To amend title 10, United States Code, to exempt certain members of the Armed Forces from the requirement to pay subsistence charges while hospitalized
- H.R. 408**—To provide for expansion of Sleeping Bear Dunes National Lakeshore
- H.R. 3062**—To amend the Mineral Leasing Act to authorize the Secretary of the Interior to issue separately, for the same area, a lease for tar sand and a lease for oil and gas
- H.R. 708**—Land Conveyance, Faraway Ranch, Mendocino National Forest, California
- Crowley Motion to Instruct Conferees on H.R. 1308**—the All-American Tax Relief Act

H.R. 3108—Pension Funding Equity Act of 2003 (Boehner)

Order of Business: The bill is scheduled for consideration on Wednesday, October 8th, pursuant to an unanimous consent agreement.

Summary: H.R. 3108 would replace the current standard that employers must use to determine their pension liabilities – the 30-year Treasury bond interest rate – with a corporate bond index rate for two years, through December 31, 2005. The Treasury Department would have the flexibility to establish the discount interest rate based on a blend of corporate bond index rates. Once the Treasury Department determines the rate, the discount liability for plans will be 90-100 percent of that rate, and employers will use that rate to calculate their pension funding liabilities. The bill’s provisions will expire after two years and then revert

back to 105 percent of the 30-year interest rate, which was the benchmark prior to March 2002.

H.R. 3108 also expresses the sense that “Congress must ensure the financial health of the defined benefit pension system by working to promptly implement--

“(1) a permanent replacement for the pension discount rate used for defined benefit pension plan calculations, and

“(2) comprehensive funding reforms aimed at achieving accurate and sound pension funding to enhance retirement security for workers who rely on defined pension plan benefits, to reduce the volatility of contributions, to provide plan sponsors with predictability for plan contributions, and to ensure adequate disclosures for plan participants in the case of underfunded pension plans.”

Additional Background: Since 1987, federal law has required that pension liabilities that determine minimum pension contributions be computed using the interest rate on the 30-year Treasury bond. Liabilities computed using this discount rate have become less accurate over time as financial conditions have changed. As the inflation rate has declined, the term structure of interest rates has changed. Congress recognized this and in 2002 passed legislation that temporarily changed the discount rate to provide funding relief to plan sponsors. This temporary fix expires at the end of this year.

According to the Education and the Workforce Committee, “in 2001, the Treasury Department stopped issuing 30-year bonds and interest rates fell dramatically, so Congress enacted a two-year temporary fix in March 2002 that raised the benchmark rate to 120 percent of the 30-year Treasury rate. Because this current interest rate is artificially low, the bill replaces this standard with a new interest rate based on a blend of corporate bond index rates. This change will provide employers with greater certainty and short-term funding relief and strengthen defined benefit pension plans workers in the short term while Congress takes a broader look at the defined benefit system as a whole and the issues that affect the retirement security of American workers.”

<http://edworkforce.house.gov/press/press108/09sep/pensionintro091703.htm>

Committee Action: H.R. 3108 was referred to the Education and the Workforce and the Ways and Means Committees. While both committees have held hearings on the issue of pension liabilities, neither committee marked-up the bill.

Administration Position: The Administration supports the legislation.

Cost to Taxpayers: A cost estimate is not available.

Does the Bill Create New Federal Programs or Rules?: The bill replaces the current method of determining pension liabilities, based on the 30-year Treasury bond interest rate, with a two-year corporate bond interest rate.

Constitutional Authority: A committee report citing constitutional authority is not available.

Staff Contact: Lisa Bos, lisa.bos@mail.house.gov, (202) 226-1630

H.R. 1474—Check 21 Act (Conference Report) (Hart)

Order of Business: The conference report is scheduled to be considered on Wednesday, October 8th, subject to a unanimous consent agreement from yesterday. On June 5, 2003, the House passed H.R. 1474 by a vote of 405-0:

<http://clerkweb.house.gov/cgi-bin/vote.exe?year=2003&rollnumber=246>

On June 27th, the Senate passed an amended version of the bill by unanimous consent and sent the bill back to the House. On July 10th, the House requested a conference with the Senate. On October 1st, Conference Report 108-291 was filed.

Summary (differences from House-passed bill in red-bold): H.R. 1474 would make a substitute check the legal equivalent of an original check for all purposes, including any provision of any federal or state law, as long as the substitute check:

- accurately represents all of the information on the front and back of the original check as of the time the original check was truncated; and
- bears the legend: “This is a legal copy of your check. You can use it the same way you would use the original check.”

A substitute check is a paper reproduction of the original check that:

- contains an image of the front and back of the original check;
- bears the line at the bottom of a check containing such items as the bank routing number, customer account number, and check number (subject to certain exceptions);
- conforms, in paper stock, dimension, and otherwise, with generally applicable industry standards for substitute checks; and
- is suitable for automated processing in the same manner as the original check.

In short, H.R. 1474 would facilitate the electronic transfer of check images, which can then be turned into substitute checks, eliminating the need for physical transfer of the original check.

No prior agreement with a bank would be required before depositing or otherwise presenting a substitute check. Banks that transfer substitute checks would have to indemnify transferees and other parties in the transfer for the amount of the checks, interest, and costs (including reasonable attorneys’ fees) associated with recovering funds from bad substitute checks (with exceptions for cases in which the original paper check is available).

The bill would also set procedures for a consumer to file expedited claims for recredit on a substitute check that was not credited to the consumer’s account **(the 30-day window for filing claims is extended to 40 days in the Conference Report; 30-day extensions in the House bill are extended to 40 days in the Conference Report)**. A bank would have ten business days to complete an investigation of a recredit claim before at least partially recrediting a consumer’s account (as detailed in the bill). Recredited funds would have to be

available on the next business day after recrediting, subject to certain exceptions (mainly regarding customers who have bad banking habits, like overdrafting). A bank could reverse a recredit upon discovery of a proper crediting of a substitute check (and upon notification to the customer). Banks would also have to notify customers about recredits made to them and reasons for rejecting bad claims for recredit.

Analogously, the bill would establish expedited recredit procedures for banks to make claims against indemnifying banks and would set statutes of limitation for both bank and individual claims. Banks could agree to vary the recredit procedures in the bill.

Delays by a bank beyond the time limits prescribed in this legislation would be excused if the delays were caused by interruption of communication or computer facilities, suspension of payments by another bank, war, emergency conditions, failure of equipment, or other circumstances beyond the control of a bank and if the bank used such diligence as the circumstances require.

All banks would be required to provide to all customers a brief notice about substitute checks that describes:

- the process of check substitution and how the process may be different than the check clearing process with which the consumer may be familiar (**a few details added in Conference Report**); and
- a description of the consumer recredit rights when a consumer believes in good faith that a substitute check was not properly charged to the consumer's account.

Banks would have to provide notice to each consumer of the bank that requests a copy of a check and receives a substitute check, at the time of the request.

The Board of Governors of the Federal Reserve System would be charged with **prescribing regulations to implement, prevent circumvention or evasion of, or facilitate compliance with the provisions of this legislation.** ~~clarifying or implementing (by regulation) the provisions of this bill and with monitoring the extent to which:~~

- ~~➤ original checks are converted to substitute checks in the check collection and return process; and~~
- ~~➤ checks are collected and returned electronically rather than in paper form.~~

Within 30 months of this bill's enactment, the Board would have to report to Congress on:

- **the percentage of total checks cleared in which the paper check is not returned to the paying bank;**
- **the extent to which banks make funds available to consumers for local and non-local checks prior to the expiration of maximum hold periods;**
- **the length of time within which depository banks learn of the nonpayment of local and non-local checks;**
- **the increase or decrease in check-related losses over the study period; and**
- **the appropriateness of the time periods and amount limits.**

The Board would have to annually report the amount of operating costs attributable to, and an estimate of the Federal Reserve banks' imputed revenues derived from, the

transportation of commercial checks among Federal Reserve bank check processing centers.

Within five years of this bill's enactment, the Comptroller General would have to report to Congress on:

- the gains in economic efficiency made possible from check truncation;
- the benefits accruing to consumers and financial institutions from reduced transportation costs, longer hours for accepting deposits for credit within one business day, the impact of fraud losses, and an estimate of consumers' share of the total benefits derived from this Act; and
- consumer acceptance of the check truncation process resulting from this Act, as well as any new costs incurred by consumers who had their original checks returned with their regular monthly statements prior to the date of enactment of this Act.

The Conference Report would authorize "such sums as may be necessary" each fiscal year beginning with 2004 to the Secretary of the Treasury for "reimbursing financial institutions in their capacity as depositories and financial agents of the United States for all services required or directed by the Secretary of the Treasury...to be performed by such financial institutions on behalf of the Secretary of the Treasury or another federal agency, including services rendered before fiscal year 2004." As these appropriations become available, the Secretary would have to begin the process of phasing in these direct payments to banks and transitioning from the current use of interest from "compensating balances" (large balances placed on deposit at banks) to fund these services. Compensating balances would only be allowable in extraordinary circumstances (as reported annually to Congress). The Secretary would have to submit a final report on the costs and effectiveness of the transition.

The Conference Report would also make technical changes to the Federal Reserve Act in the way currency is collateralized, which would allow for greater liquidity in case of a national emergency. Neither this currency provision nor the compensating balances provisions were contained in either the House-passed or Senate-passed bills.

This legislation would supersede all existing federal and state laws on substitute checks and other such matters addressed here and would take effect ~~12~~ 18 months after enactment.

Administration Position: Though no Administration position is available, on April 8, 2003, the Vice Chairman of the Board of Governors of the Federal Reserve System testified before the House Financial Services Committee in favor of H.R. 1474.
<http://financialservices.house.gov/media/pdf/040803rf.pdf>

Cost to Taxpayers: For the aspects of the legislation addressed by the House-passed and Senate-passed bills, CBO estimates that H.R. 1474 would have a "negligible" effect on federal revenues through its effects on the Federal Reserve's income and expenses from its check processing operations. The Federal Reserve remits its net income to the Treasury, and those payments are classified as governmental receipts, or revenues, in the federal budget.

CBO estimates that H.R. 1474 would have a negligible effect on the Federal Reserve's net income and, hence, on federal revenues.

However, no cost estimate is available for the compensating balances or currency provisions of the Conference Report.

Does the Bill Create New Federal Programs or Rules?: Yes, the bill would create a new negotiable instrument (the substitute check) and supersede any existing federal and state laws on substitute checks and check transfers. Further, the bill would alter how the federal government compensates banks for their mandated depository services.

Constitutional Authority: The Financial Services Committee, in House Report 108-132, cites constitutional authority in Article I, Section 8, Clause 1 (relating to the defense and general welfare of the United States), and Clause 3 (relating to the power to regulate foreign and interstate commerce).

RSC Staff Contact: Paul S. Teller, paul.teller@mail.house.gov, (202) 226-9718

H.R. 3182— To reauthorize the adoption incentive payments program under part E of title IV of the Social Security Act, and for other purposes (Camp)

Order of Business: The bill is scheduled for consideration on Wednesday, October 8th, under a motion to suspend the rules and pass the bill.

Summary: H.R. 3182 reauthorizes and amends the adoption incentive awards program, which was a portion of the Adoption and Safe Families Act of 1997 (42 U.S.C. 673b). The adoption incentive awards program gives federal money to states based on an per-child increase in adoptions out of foster care. Current law authorizes \$20 million a year for the Adoption Incentives Program — \$4,000 for each regular adoption and \$6,000 for each special needs adoption. H.R. 3182 creates a specific incentive category for states that place older children (\$4,000 more for a child age 9 or older).

While current law authorized \$20 million per year for the grants under this program for the last three fiscal years, H.R. 3182 authorizes \$43 million per year for each of fiscal year 2004-2008. The bill also reauthorizes \$10 million per year for FY04-FY06 for the Secretary of HHS to administer this program and provide technical assistance and creates a new authority for HHS to impose financial penalties to states that do not submit timely and complete foster care and adoption data. Under the legislation, a one-time report on adoption and other permanency options for children in foster care is required.

Additional Background: According to the bill, after the 1997 creation of the Adoption Incentives program, all States, the District of Columbia, and Puerto Rico have qualified for incentive payments for their work in promoting adoption of foster children. Between 1997 and 2002, adoptions increased by 64 percent, and adoptions of children with special needs

increased by 63 percent; however, 542,000 children remain in foster care, and 126,000 are eligible for adoption. The findings note that recent data suggest that half of the children waiting to be adopted are age 9 or older.

Committee Action: H.R. 3182 was introduced on September 25, 2003 and referred to the House Committee on Ways and Means. The Committee did not consider the bill.

Cost to Taxpayers: A CBO cost estimate is unavailable, but the bill authorizes \$43 million per year for each of 2004-2008, a **\$69 million increase over currently authorized levels**, for the adoption incentives grants and reauthorizes \$30 million over three years for the HHS Secretary for operational and technical assistance programs.

Does the Bill Create New Federal Programs or Rules?: The bill reauthorizes portions of current law and adds a new incentive grant provision for placing older children from foster care into adoptive homes.

Constitutional Authority: A Ways and Means Committee report citing constitutional authority is unavailable.

RSC Staff Contact: Sheila Moloney, Sheila.Moloney@mail.house.gov; (202)-226-9719

H.Res. 342 — Supporting the National Railroad Hall of Fame, Inc., of Galesburg, Illinois, in its endeavor to erect a monument known as the National Railroad Hall of Fame (*Evans*)

Order of Business: The resolution is scheduled for consideration on Wednesday, October 8th, under a motion to suspend the rules and pass the bill.

Summary: H.Res. 342 has seven findings regarding the National Railroad Hall of Fame and the history of railroads in Illinois and resolves:

“That the House of Representatives supports the National Railroad Hall of Fame, Inc., of Galesburg, Illinois, in its endeavor to erect a monument known as the National Railroad Hall of Fame.”

Additional Information: According to the resolution, “the objectives of the National Railroad Hall of Fame, Inc., include (1) perpetuating the memory of leaders and innovators in the railroad industry, (2) fostering, promoting, and encouraging a better understanding of the origins and growth of railroads, especially in the United States, and (3) establishing and maintaining a library and collection of documents, reports, and other items of value to contribute to the education of all persons interested in railroading.” The National Railroad Hall of Fame, Inc., is “planning to erect a monument known as the National Railroad Hall of Fame to honor the men and women who actively participated in the founding and development of the railroad industry in the United States”

Committee Action: H.Res. 342 was introduced on July 25, 2003 and referred to the House Committee on Transportation and Infrastructure. The Committee did not consider the bill.

Cost to Taxpayers: The resolution authorizes no expenditure.

Does the Bill Create New Federal Programs or Rules?: No.

RSC Staff Contact: Sheila Moloney, Sheila.Moloney@mail.house.gov; (202)-226-9719

H.R. 2297—Veterans Benefits Act of 2003 (Smith of New Jersey)

Order of Business: The bill is scheduled for consideration on Wednesday, October 8, under a motion to suspend the rules and pass the bill.

Summary: H.R. 2297 makes a variety of changes to benefit programs for veterans, as detailed below:

- Expands the Montgomery GI Bill education benefit by allowing educational assistance to be used for job training of less than six months in certain self-employment training programs.
- Allows those eligible for survivors' and dependents' education benefits to have their eligibility extended if involuntarily called-up to full-time National Guard duty after September 11, 2001. Eligibility would be extended equal to the time serving full-time duty plus four months. Current law allows such an extension to reservists.
- Extends the Veterans' Advisory Committee on Education from December 31, 2003, to December 31, 2009, and eliminates the requirement that veterans from World War II, the Korean conflict era, and the post-Korean conflict era serve on the committee.
- Repeals the VA education loan program (no new loans have been issued in recent years but the VA spends \$70,000/year on administration) and discharges any loans currently owed by a veteran under the program.
- Allows a surviving spouse who remarries after age 55 to retain dependency and indemnity compensation (a tax-free monthly benefit paid to the surviving spouse of a veteran who dies as a result of military service).
- Allows a remarried surviving spouse of a veteran to be eligible for burial in a national cemetery.
- Makes permanent the State Cemetery Grants Program, which provides grants to assist states in establishing, expanding, and improving state-owned veterans' cemeteries (current authorization expires at the end of FY2004).
- Reinstates a pilot program that expired in 1995 which provides vocational training to newly eligible nonservice-connected disabled pension recipients under the age of 45.
- Increases grant amounts for specially adapted housing for severely disabled veterans from \$48,000 to \$50,000 and for less severely disabled veterans from \$9,250 to \$10,000. Also increases the amount the VA may pay to an eligible disabled servicemember or veteran to purchase an automobile from \$9,000 to \$11,000.

- Adds cirrhosis of the liver to the disabilities considered service-connected for former prisoners of war, even if there is no record of the disease during the period of service. Also allows certain psychiatric disabilities, cold weather-related injuries, and traumatic arthritis to be considered service-connected for former prisoners of war regardless of the period of confinement (current law requires confinement of at least 30 days).
- Extends spina bifida benefits to disabled children of veterans who served in an area of Korea near the demilitarized zone between October 1, 1967 and May 7, 1975 (current law restricts to service in the Republic of Vietnam).
- Makes permanent the home loan program for members of the Selected Reserve, currently set to expire on September 30, 2009.
- Equalizes home loan fees charged to Reserve members with those charged to active duty veterans. Also increases the home loan guaranty fees for veterans qualifying for a second home loan with no down payment.
- Reinstates the vendee loan program, terminated by the VA administratively on January 23, 2003.
- Provides full dependency and indemnity compensation to eligible members of the new Philippine Scouts, other Filipino veterans, and their survivors.
- Extends eligibility for national cemetery burial to new Philippine Scouts who lawfully reside in the United States.
- Extends the authority of the VA to operate a regional office in the Republic of the Philippines through December 31, 2009 (current authority expires December 31, 2003).
- Requires the Department of Labor to place staff in veterans' assistance offices on overseas military installations where VA staff is located within 90 days after enactment as part of the Transition Assistance Program (assists transitioning servicemembers in attaining civilian jobs).
- Adds the following federal criminal offenses to those under which a conviction would result in a loss of veterans' benefits: prohibitions with respect to biological weapons, prohibited activities with respect to chemical weapons, prohibited transactions involving nuclear materials, genocide, use of certain weapons of mass destruction, and acts of terrorism transcending national boundaries.

Committee Action: The Subcommittee on Benefits of the Committee on Veterans' Affairs favorably reported H.R. 2297 to the full Committee by voice vote on June 25, 2003. The full Committee approved the bill by voice vote on June 26.

Administration Position: Many of the provisions included in H.R. 2297 are based on Administration proposals.

Cost to Taxpayers: CBO estimates that enacting H.R. 2297 would reduce direct spending for veterans programs and for uniformed services' retirement benefits by \$63 million in 2004, about \$135 million over the 2004-2008 period, and about \$300 million over the 2004-2013 period.

The savings in the bill, which both offset other increased spending and result in a reduction in direct spending, are almost entirely attributable to “savings” generated by reinstating the vendee loan program, which was discontinued by the Department of Veterans Affairs (VA) on January 31, 2003. Before that date, when a veteran defaulted on his mortgage and the home went into foreclosure, VA often acquired the property and issued a new direct loan when the property was sold. CBO and the Committee assert that the vendee loan program “saves” approximately \$35 million per year because (1) the VA receives more money for homes sold with vendee financing than those sold with other financing (16 percent more in 2002) and (2) because vendee loans have lower prepayment and default rates than other direct loans made by VA, this provision also would lower subsidy costs for direct loans by an average of \$28 million a year over the 2004-2013 period. Before the program was terminated in 2003, VA sold most vendee loans on the secondary mortgage market and guaranteed their timely repayment. Both the Clinton and Bush Administration have argued for eliminating the vendee loan program because (1) the VA should not be in the business of issuing home loans to non-veterans and (2) guaranteeing these vendee loans increased the liability of the government.

CBO also estimates that implementing H.R. 2297 would cost \$4 million in 2004 and \$137 million over the 2004-2008 period, assuming appropriation of the necessary amounts.

Does the Bill Create New Federal Programs or Rules?: The bill primarily modifies existing programs. However, it does reinstate one program recently eliminated by the VA (the vendee loan program).

Constitutional Authority: The Committee on Veterans’ Affairs, in House Report 108-211, cites Article I, Section 8, but does not cite a specific clause.

Staff Contact: Lisa Bos, lisa.bos@mail.house.gov, (202) 226-1630

H.R. 2452 — To designate the facility of the United States Postal Service located at 339 Hicksville Road in Bethpage, New York, as the “Brian C. Hickey Post Office Building” (King (NY))

Order of Business: The bill is scheduled for consideration on Wednesday, October 8th, under a motion to suspend the rules and pass the bill.

Summary: H.R. 2452 designates the facility of the United States Postal Service located at 339 Hicksville Road in Bethpage, New York, as the “Brian C. Hickey Post Office Building”.

Cost to Taxpayers: The only costs associated with a post office renaming are those for sign and map changes, none of which significantly affect the federal budget.

Additional Information: Brian C. Hickey was a captain in the Fire Department of New York who was killed in the terrorist attacks of September 11, 2001. He was 47 years old and is

survived by his wife and four children. He was officially laid to rest on June 11, 2002. See: <http://www.usa.pointsoflight.org/specHonoree.jsp?honoreeid=1398>
http://www.nyc.gov/html/fdny/html/memorial/wtc/hickey_brian_cpt_res004.html

Committee Action: H.R. 2452 was introduced on June 12, 2003 and referred to the House Committee on Government Reform, from where it was reported by unanimous consent on September 12.

Does the Bill Create New Federal Programs or Rules?: No.

Constitutional Authority: Though no committee report citing constitutional authority is available, Article I, Section 8, Clause 7 of the Constitution grants Congress the authority to “establish Post Offices and post Roads.”

RSC Staff Contact: Sheila Moloney, Sheila.Moloney@mail.house.gov; (202)-226-9719

**H.Con.Res. 71 — Recognizing the importance of Ralph Bunche as one of the great leaders of the United States, the first African-American Nobel Peace Prize winner, an accomplished scholar, a distinguished diplomat, and a tireless campaigner of civil rights for people throughout the world
(Rangel)**

Order of Business: The resolution is scheduled for consideration on Wednesday, October 8th, under a motion to suspend the rules and pass the bill.

Summary: H.Con.Res. 71 has seven findings regarding Ralph Bunche, who in 1950 was the first African-American awarded the Nobel Peace Prize, and states that the House with the Senate concurring:

“(1) recognizes and honors Ralph Bunche as a pivotal 20th century figure and fighter in the struggle for the realization and attainment of human rights on a global scale; and
“(2) urges the President to take appropriate measures to encourage the celebration and remembrance of Ralph Bunche's many significant achievements.”

Additional Information: According to the resolution, Ralph Bunche graduated valedictorian, *summa cum laude*, and Phi Beta Kappa from the University of California at Los Angeles in 1927. He received a Ph.D. from Harvard University in 1934, served as a professor and established and chaired the Political Science Department at Howard University from 1928 to 1941.

He served as an advisor to the United States delegation to the 1945 San Francisco conference charged with establishing the United Nations and drafting the Charter of the nascent international organization, and was instrumental in drafting Chapters 11 and 12 of the United Nations Charter (dealing with non-self-governing territories and the International

Trusteeship System) that helped African countries achieve their independence and assisted in their transition to self-governing, sovereign states.

In 1948, Ralph Bunche was named acting Chief Mediator in Palestine for the United Nations, and, in 1949, successfully brokered an armistice agreement between Israel, Egypt, Jordan, Lebanon, and Syria. He was named United Nations Under Secretary General in 1955, in charge of directing peacekeeping missions in several countries and was in 1963 was presented with the Medal of Freedom.

Committee Action: H.Con.Res. 71 was introduced on February 27, 2003 and referred to the House Committee on Government Reform, from where it was reported by unanimous consent on September 12.

Cost to Taxpayers: The resolution authorizes no expenditure.

Does the Bill Create New Federal Programs or Rules?: No.

RSC Staff Contact: Sheila Moloney, Sheila.Moloney@mail.house.gov; (202)-226-9719

H.Res. 262—Supporting the goals and ideals of Pancreatic Cancer Awareness Month (Platts)

Order of Business: The resolution is scheduled to be considered on Wednesday, October 8th, under a motion to suspend the rules and pass the bill.

Summary: H.Res. 262 would resolve that the House supports the goals and ideals of Pancreatic Cancer Awareness Month.

The resolution notes that the Pancreatic Cancer Action Network (PanCAN) is the only national advocacy organization for pancreatic cancer patients. PanCAN has requested that Congress designate November as Pancreatic Cancer Awareness Month in order to “educate communities across the Nation about pancreatic cancer and the need for research funding, early detection methods, effective treatments, and prevention programs.” According to GuideStar, PanCAN receives no government funds.

PanCAN’s homepage is: <http://www.pancan.org/>

Additional Background: According to the resolution, over 30,700 people will be diagnosed with pancreatic cancer this year in the United States, and 96% of those people will die within five years. Most will die within just three to six months of diagnosis, since there are no early detection methods and minimal treatment options for this cancer. The mortality rate for pancreatic cancer is 99%, the highest of any cancer.

Committee Action: On September 12, 2003, the Government Reform Committee marked up and favorably reported the bill to the full House by unanimous consent.

Cost to Taxpayers: The resolution would authorize no expenditure.

Does the Bill Create New Federal Programs or Rules?: No.

RSC Staff Contact: Paul S. Teller, paul.teller@mail.house.gov, (202) 226-9718

H.R. 3159—Government Network Security Act (*Waxman*)

Order of Business: The bill is scheduled to be considered on Wednesday, October 8th, under a motion to suspend the rules and pass the bill.

Summary: H.R. 3159 would require the head of each federal agency within six months of this bill's enactment to develop and implement a plan (including technological and nontechnological aspects) to protect the security and privacy of computers and networks of the federal government from the risks posed by peer-to-peer file sharing (such as Kazaa). Within 18 months of this bill's enactment, the Comptroller General would have to report to Congress on the efficacy of the agencies' respective actions.

The bill defines "peer-to-peer file sharing" as follows:

...the use of computer software, other than network operating systems, that has as its primary function the capability to allow the computer on which such software is used to designate files available for transmission to another computer using such software, to transmit files to another such computer, and to request the transmission of files from another such computer. The term does not include the use of such software wholly on intragovernmental networks.

Additional Background: According to the bill, peer-to-peer file sharing can pose security and privacy threats to computers and networks by:

- "exposing classified and sensitive information that are stored on computers or networks;
- "acting as a point of entry for viruses and other malicious programs;
- "consuming network resources, which may result in a degradation of network performance; and
- "exposing identifying information about host computers that can be used by hackers to select potential targets."

Committee Action: On September 25, 2003, the Government Reform Committee marked up and favorably reported the bill to the full House by voice vote.

Cost to Taxpayers: CBO estimates that H.R. 3159 would not have a significant impact on the federal budget. Under the E-Government Act of 2002 (Public Law 107-347), federal agencies are already charged with protecting information systems from unauthorized access, use, disclosure, disruption, modification, or destruction. H.R. 3159 would merely highlight a

specific security concern for computer systems that federal agencies are currently implementing plans to protect.

Does the Bill Create New Federal Programs or Rules?: No.

Constitutional Authority: House Report 108-305 from the Government Reform Committee was not available at press time.

RSC Staff Contact: Paul S. Teller, paul.teller@mail.house.gov, (202) 226-9718

H.R. 3054—District of Columbia Military Retirement Equity Act (Davis, Tom)

Order of Business: The bill is scheduled to be considered on Wednesday, October 8th, under a motion to suspend the rules and pass the bill.

Summary: H.R. 3054 would amend the Policemen and Firemen's Retirement and Disability Act (sec. 5-704(h), D.C. Official Code) to permit military service previously performed (after 1956) by members and former members of the Metropolitan Police Department of the District of Columbia, the Fire Department of the District of Columbia, the United States Park Police, and the United States Secret Service Uniformed Division to count when calculating retirement annuities payable to such members.

Additional Background: Under current law, retirees in the D.C. police officers and firefighters retirement plan may use previous military service as credit toward their retirement, but retirees who are eligible to receive Social Security benefits may not receive credit for their military activity. Therefore, after the retiree reaches age 65, the amount of his annuity is significantly reduced.

Committee Action: On September 25, 2003, the Government Reform Committee marked up and favorably reported the bill to the full House by voice vote.

Cost to Taxpayers: A cost estimate is unavailable at this time

Does the Bill Create New Federal Programs or Rules?: The bill would alter how military service is counted toward calculating annuity payments.

Constitutional Authority: The Government Reform Committee did not file a committee report citing constitutional authority.

RSC Staff Contact: Paul S. Teller, paul.teller@mail.house.gov, (202) 226-9718

H.R. 2755—To authorize the President to issue posthumously to the late William “Billy” Mitchell a commission as major general, United States Army (Bass)

Order of Business: The bill is scheduled for consideration on Wednesday, October 8th, under a motion to suspend the rules and pass the bill.

Summary: H.R. 2755 authorizes the President to issue posthumously a commission as major general, United States Army, in the name of the late William Mitchell, formerly a U.S. Army colonel, who resigned his commission on February 1, 1926. The bill notes that the commission issued under this authority shall issue as of the date of the death of William Mitchell on February 19, 1936. The bill also specifies that “no person is entitled to receive any bonus, gratuity, pay, allowance, or other financial benefit by reason of the enactment of this Act.”

Additional Information: William Mitchell was an aviator in World War I, who was court-martialed for his prediction that Japan might cripple the U.S. Navy at Pearl Harbor. (Mitchell proved his point by actually bombing and sinking two captured and elderly battleships in the 1920s.) Mitchell was convinced that air power would become the dominant force in modern war-fighting, but few military strategists accepted such assertions. Congress restored Mitchell's reputation after World War II (when several of his predictions were proven true) by awarding him the Congressional Medal of Honor in recognition of his services as an Army colonel and of his military foresightedness. See: <http://www.congressionalgoldmedal.com/WilliamMitchell.htm>
<http://www.users.voicenet.com/~lpadilla/mitchell.html>

Committee Action: H.R. 2755 was introduced on July 16, 2003 and referred to the House Committee on Armed Services, which did not consider the bill.

Cost to Taxpayers: The bill authorizes no expenditure.

Does the Bill Create New Federal Programs or Rules?: No.

RSC Staff Contact: Sheila Moloney, Sheila.Moloney@mail.house.gov; (202)-226-9719

H.R. 2998—To amend title 10, United States Code, to exempt certain members of the Armed Forces from the requirement to pay subsistence charges while hospitalized (Young of Florida)

Order of Business: The bill is scheduled for consideration on Wednesday, October 8, under a motion to suspend the rules and pass the bill.

Summary: H.R. 2998 permanently eliminates the requirement for retired enlisted personnel and officers and enlisted personnel hospitalized as a result of combat or combat-related

injuries to pay subsistence charges while hospitalized. Currently, these individuals are charged \$8.10 daily for meals if they are also receiving a per diem for the period of hospitalization.

Under this bill hospitalized servicemembers would be exempted from subsistence charges even though they are receiving a per diem payment that is supposed to be used to pay for the food they are being provided for free (*i.e.* free meals in addition to money to buy the same meals.)

Committee Action: The bill was referred to the Committee on Armed Services on September 3, 2003, but was not considered.

Cost to Taxpayers: A cost estimate is not available.

Does the Bill Create New Federal Programs or Rules?: The bill does not create a new program.

Constitutional Authority: A committee report citing constitutional authority is not available.

Staff Contact: Lisa Bos, lisa.bos@mail.house.gov, (202) 226-1630

H.R. 408—To provide for expansion of Sleeping Bear Dunes National Lakeshore (Camp)

Order of Business: The bill is scheduled for consideration on Wednesday, October 8, under a motion to suspend the rules and pass the bill.

Summary: H.R. 408 authorizes the Secretary of Interior to acquire 104.45 acres of land, commonly known as the Homestead Resort, for inclusion in the Sleeping Bear Dunes National Lakeshore. The land may not be acquired by land exchange on conveyance.

Additional Background: The land to be acquired under the bill is adjacent to the Sleeping Bear Dunes. According to the Committee on Resources, the Homestead Resort has been trying to develop land along the Crystal River as a golf course or housing. Because the property includes rare resources, according to the U.S. Fish and Wildlife Service, the Park Service proposed exchanging current Park Service land for the Crystal River property. The local community opposed this proposal.

Currently, the Sleeping Bear Dunes National Lakeshore totals 71,176 acres. The federal government owns 10 percent of the land in Michigan.

Committee Action: The Subcommittee on National Parks, Recreation and Public Lands of the Committee on Resources approved H.R. 408 by voice vote on September 23, 2003. The full Committee approved the bill by unanimous consent on September 24.

Administration Position: The National Park Service testified on July 15, 2003, that it recommends “**that the committee defer action on H.R. 408 during the 108th Congress.**”
<http://resourcescommittee.house.gov/108cong/parks/2003jul15/smith408.htm>

Cost to Taxpayers: The Congressional Budget Office estimates that H.R. 408 would cost between \$8-10 million over the next two years for the cost of purchasing the land. CBO estimates that any additional costs to develop or manage the land would be insignificant.

Does the Bill Create New Federal Programs or Rules?: No.

Constitutional Authority: The Committee on Resources, in House Report 108-292, cites Article I, Section 8, and Article IV, Section 3, but does not cite specific clauses.

Staff Contact: Lisa Bos, lisa.bos@mail.house.gov, (202) 226-1630

H.R. 3062—To amend the Mineral Leasing Act to authorize the Secretary of the Interior to issue separately, for the same area, a lease for tar sand and a lease for oil and gas (Cannon)

Order of Business: The bill is scheduled for consideration on Wednesday, October 8, under a motion to suspend the rules and pass the bill.

Summary: H.R. 3062 authorizes the Secretary of the Interior to issue separate leases for the exploration for and extraction of tar sand and exploration for and development of oil and gas for the same area. Such leases would not be further subject to the Combined Hydrocarbon Leasing Act of 1981.

The bill further requires a lease for tar sand to be issued using the same bidding process, annual rental, and posting period as a lease issued for oil and gas, with the minimum acceptable bid for a tar sand lease set at \$2 per acre.

H.R. 3062 also authorizes the Secretary, in order to promote any resource covered by a combined hydrocarbon lease, to waive, suspend, or alter any requirement that a recipient of a permit authorizing prospecting for tar sand must exercise due diligence.

Additional Background: On November 16, 1981, Congress enacted the Combined Hydrocarbon Leasing Act of 1981 (Public Law 97-78). The stated purpose of the legislation was to "facilitate and encourage the production of oil from tar sand and other hydrocarbon deposits." The law required that the U.S. Secretary of the Interior identify "special tar sand areas" and that lands included in these special areas be leased via a Combined Hydrocarbon Lease.

Since passage of the law, the Department of the Interior has identified 11 designated tar sands areas, all located in Utah, covering over 1 million acres of total land acreage. However, since

the Combined Hydrocarbon Leasing Act requires the development of both oil and gas resources and tar sand on areas containing both deposits, resulting in the need for costly open pit mining, only one lease sale has occurred since 1981.

Committee Action: The Committee on Resources favorably reported H.R. 3062 by voice vote on September 24, 2003.

Cost to Taxpayers: The Congressional Budget Office estimates that H.R. 3062 will have no significant impact on the federal budget.

Does the Bill Create New Federal Programs or Rules?: The bill does not create a new program.

Constitutional Authority: A committee report citing constitutional authority is not available.

Staff Contact: Lisa Bos, lisa.bos@mail.house.gov, (202) 226-1630

H.R. 708—Land Conveyance, Faraway Ranch, Mendocino National Forest, California (Thompson (CA))

Order of Business: The bill is scheduled for consideration on Wednesday, October 8, under a motion to suspend the rules and pass the bill.

Summary: H.R. 708 provides for the transfer of 120 acres of national forest lands adjacent to a private ranch in exchange for payment equal to the fair market value of the land. As a result of recent, corrected surveys, several buildings located on the ranch are actually on national forest property. This transfer would maintain the workability of the private ranch and provide a buffer zone for the national forest. The funds from the sale of the land will be retained by the Forest Service and may be used to purchase other non-federal lands adjacent to other national forest lands in the State of California.

Committee Action: The Committee on Resources approved H.R. 708 by unanimous consent on September 24.

Administration Position: The Department of Agriculture testified on June 19, 2003, that it “supports this bill because it will improve management efficiency for the forest while recognizing the value of the public’s assets.”

<http://resourcescommittee.house.gov/108cong/forest/2003jun19/estill.htm>

Cost to Taxpayers: The Congressional Budget Office estimates that H.R. 708 would not significantly affect the federal budget and that the revenue generated from the sale of the land will amount to approximately \$200,000.

Does the Bill Create New Federal Programs or Rules?: No.

Constitutional Authority: The Committee on Resources, in House Report 108-293, cites Article I, Section 8 but does not cite specific clauses.

Staff Contact: Neil Bradley, x6-9717

Crowley Motion to Instruct Conferees on H.R. 1308—the All-American Tax Relief Act

Order of Business: On Tuesday, October 7, 2003, Rep. Joseph Crowley (D-NY) notified the House of his intention to offer a motion to instruct conferees on H.R. 1308—the All-American Tax Relief Act.

Text of Motion: The text of the Crowley motion is identical to the Democrat motions offered on this legislation over the last few months, as follows:

1. The House conferees shall be instructed to include in the conference report the provision of the Senate amendment, not included in the House amendment, that provides immediate payments to taxpayers receiving additional credit by reason of the bill in the same manner as other taxpayers were entitled to immediate payments under the Jobs and Growth Tax Relief Reconciliation Act of 2003.
2. The House conferees shall be instructed to include in the conference report the provision of the Senate amendment, not included in the House amendment, that provides families of military personnel serving in Iraq, Afghanistan, and other combat zones a child credit based on the earnings of the individuals serving in the combat zone.
3. The House conferees shall be instructed to include in the conference report all of the other provisions of the Senate amendment and shall not report back a conference report that includes additional tax benefits not offset by other provisions.
4. To the maximum extent possible within the scope of the conference, the House conferees shall be instructed to include in the conference report other tax benefits for military personnel and the families of astronauts who died in the *Columbia* disaster.
5. The House conferees shall, as soon as practicable after the adoption of this motion, meet in open session with the Senate conferees, and the House conferees shall file a conference report consistent with the preceding provisions of this instruction, not later than the second legislative day after adoption of this motion.

Additional Background: Substantively identical Democrat motions to instruct failed on numerous occasions recently:

DeLauro Motion, July 16th: 206-220

<http://clerkweb.house.gov/cgi-bin/vote.exe?year=2003&rollnumber=370>

Michaud Motion, July 17th: 202-214

<http://clerkweb.house.gov/cgi-bin/vote.exe?year=2003&rollnumber=390>

Bell Motion, July 18th: 188-201

<http://clerkweb.house.gov/cgi-bin/vote.exe?year=2003&rollnumber=396>

Van Hollen Motion, July 21st: 193-212

<http://clerkweb.house.gov/cgi-bin/vote.exe?year=2003&rollnumber=398>

Ross Motion, July 25th: 202-214

<http://clerkweb.house.gov/cgi-bin/vote.exe?year=2003&rollnumber=446>

Bishop (NY) Motion, July 25th: 206-216

<http://clerkweb.house.gov/cgi-bin/vote.exe?year=2003&rollnumber=447>

Solis Motion, July 25th: 202-221

<http://clerkweb.house.gov/cgi-bin/vote.exe?year=2003&rollnumber=449>

Cooper Motion, September 5th: 186-210

<http://clerkweb.house.gov/cgi-bin/vote.exe?year=2003&rollnumber=477>

Ruppersberger Motion, September 10th: 206-213

<http://clerkweb.house.gov/cgi-bin/vote.exe?year=2003&rollnumber=493>

Davis (TN) Motion, September 10th: 195-214

<http://clerkweb.house.gov/cgi-bin/vote.exe?year=2003&rollnumber=501>

Ryan (OH) Motion, September 23rd: 199-214

<http://clerkweb.house.gov/cgi-bin/vote.exe?year=2003&rollnumber=509>

Pallone Motion, September 30th: 202-207

<http://clerkweb.house.gov/cgi-bin/vote.exe?year=2003&rollnumber=525>

Davis (AL) Motion, October 1st: 207-219

<http://clerkweb.house.gov/cgi-bin/vote.exe?year=2003&rollnumber=529>

To view the RSC Legislative Bulletin on H.R. 1308, as it was considered in the House, visit this webpage: <http://www.house.gov/burton/RSC/LB61203A.pdf>

Cost to Taxpayers: Any motion to instruct conferees is non-binding and thus would have no effect on the cost of the underlying legislation.

RSC Staff Contact: Paul S. Teller, paul.teller@mail.house.gov, (202) 226-9718